

<b>Present:</b>	Councillor Sue Burke ( <i>in the Chair</i> )
<b>Councillors:</b>	Thomas Dyer, Jim Hanrahan, Gary Hewson, Ronald Hills and Laura McWilliams
<b>Independent Member:</b>	Jane Nellist
<b>Apologies for Absence:</b>	Councillor Geoff Ellis

**25. Confirmation of Minutes - 19 July 2018**

RESOLVED that the minutes of the meeting held on 19 July 2018 be confirmed.

**26. Declarations of Interest**

No declarations of interest were received.

**27. Annual Governance Statement Monitoring**

Pat Jukes, Business Manager, Corporate Policy:

- a. presented a progress update on those areas identified as 'significant governance issues' as set out in the 2017/18 Annual Governance Statement (AGS), which Audit Committee had a role to review
- b. stated that the report provided details of the monitoring arrangements for the significant internal control issues raised in the latest AGS
- c. reported on the key actions scheduled to be implemented over the coming months and progress made against the one significant issue remaining, now considered by the responsible officer to be amber, as detailed at Appendix A to the report
- d. advised that the key actions would be reviewed by the Service Manager's Group as well as monitored by the Audit Committee
- e. highlighted the following five areas not considered as significant issues although a retained focus was still required, as detailed at Appendix A to the report:
  - Partnership Companies
  - Loss of Compliance to Lincoln Project Management Model
  - Western Growth Corridor
  - Use of Professional Advice
  - Responsible Officers
- f. requested that members of Audit Committee give consideration to the content of her report.

Members discussed the report in further detail, raising concerns in the following areas:

- How were major projects tracked if not through a project register?
- Officer Response: Projects were monitored through the Vision Groups which acted as Project Board for each priority.
- It was important that risks were reported through to the project register and from the project board through to Audit Committee.
- Officer Response: Mega projects had their own boards. Any risk issues were reported through to these boards and if serious enough to Corporate Management Team (CMT). The Strategic Risk Register presented annually to Audit Committee would flag up any corporate issues and if any project risks were identified as strategic, would be included in this register.
- Projects with risks evolving more than once a year would not be picked up by Audit Committee in the annual Strategic Risk Register report.
- Response by Audit Manager: Audit Committee did have a role to play in the monitoring of strategic risk management. Should members require assurance on key risks to the authority it was possible to bring a report back to a future committee meeting.

RESOLVED that:

1. Information requested by members on reporting arrangements in relation to risk mitigation/recommendations be presented to the next meeting of Audit Committee.
2. The content of the report be noted and monitoring arrangements be continued.

## **28. Annual Complaints Report 2017-2018**

Pat Jukes, Business Manager, on behalf of Joanne Crookes, Customer Services Manager:

- a. presented the annual complaints report which included reference to the Annual Review of Local Authority Complaints, issued by the Local Government and Social Care Ombudsman (LGSCO), together with details of the overall number of complaints received by the Council including response times and percentage of complaints upheld on a directorate basis for the full year 2017-2018
- b. reported on the Council's internal formal complaints procedure noting that staff were encouraged to seek solutions at the first point of contact or otherwise resolve the issue at the earliest opportunity
- c. advised that there was no published time target for the handling of complaints, however, resolution times were recorded and reported to Departmental Management Teams (DMT's)

- d. reported that the number of complaints received last year had reduced overall compared to the previous three years with a slight improvement in the amount of time taken for officers to respond at 6.2 days over all four directorates
- e. detailed further the breakdown of directorate complaints at paragraph 4 of the report
- f. highlighted that in 2017/18 the Local Government Ombudsman (LGO) considered 12 new complaints and made decisions on 15 complaints about City of Lincoln Services, compared to 10 complaints the previous year and 27 in the year 2015-16; appropriate action was taken as detailed within Section 5 of the report
- g. outlined the detail of the one complaint upheld as detailed at paragraph 6.1 of the report
- h. reported that three Housing Ombudsman Service complaints had been investigated during this period compared with four the previous year, of these one was still under investigation and the remaining two had not been upheld
- i. highlighted the trend in complaints as detailed at paragraph 8 of the report
- j. highlighted the number of compliments received from members of the public acknowledging professionalism of staff across all service areas
- k. invited members' questions and comments.

Members of Audit Committee discussed the content of the report in further detail. It was noted that complaints were reducing and dealt with appropriately by the Council.

RESOLVED that the content of the 2017-2018 complaints report be noted.

## **29. Internal Audit Progress Report**

John Scott, Audit Manager:

- a. presented the Internal Audit Progress Report to Audit Committee, incorporating the overall position reached so far and summaries of the outcome of audits completed during the period May – August 2018, as detailed at Appendix A
- b. highlighted that Audit Committee had the responsibility for receiving a regular progress report from Internal Audit on the delivery of the Internal Audit Plan as a key requirement of public sector internal audit standards
- c. advised that the report covered the following main areas:
  - Progress Against the Plan
  - Summary of Audit Work
  - Implementation of Audit Recommendations
  - Current Areas of Interest Relevant to the Audit Committee
- d. outlined details of audits carried out in the following areas all given substantial assurances as follows:

- Council Tax (17/18)
  - Planned Maintenance (17/18)
  - Risk Management
  - Sincil Bank Regeneration
- e. reported on other significant work ongoing, audit plan changes, audits currently in progress, audit recommendations overdue and not yet due, performance information, other work in progress and matters of interest as detailed within the report and associated appendices
- f. requested members' consideration on the content of the report.

Members discussed the content of the report in further detail.

The following questions emerged:

- Question: In relation to the audit of planned maintenance, what assurances were provided on historic listed buildings/other properties aside from residential dwellings?
- Response: This audit focussed on housing/decent homes, although work had been completed in the past relating to other areas of property maintenance. A report would be presented to Audit Committee in due course on current maintenance budget/investments.
- Question: How much time had been spent on the Values and Culture Review to date, and why was a further 20 days' work including overtime required?
- Response: This work focusses on an ethical governance review aimed at holding standards in public life for both members and officers. It is an extensive review which required 10-15 days development time. Twenty days work time had been allocated so far, however, it was likely to take 30 days work in total. Once at reporting stage, feedback would be given to members. Information on the process could be provided at the next meeting of Audit Committee if this helped.
- Question: In relation to the audit of planned maintenance, did council officers carry out inspections on work carried out by Kier and Aaron contractors?
- Response: The contractors have their own quality control, however, the council carried out additional checks. External inspections are also carried out for gas work. Inspections did go ahead. The recommendation that came out of the audit was to monitor post inspection levels by Kier and Aaron and record council post inspections levels and results.
- Question: It was noted that some of the audit recommendations in respect of implementation of ICT mobile devices had been extended from 2016 to 2019?
- Response: IT monitor live devices. Asset registers are maintained by IT although it was time consuming to go round every office at the council to carry out checks. The matter has been prioritised to be completed as soon as possible.
- Question: Would it be useful to request officers to attend the next meeting of Audit Committee to explain why these audit recommendations had not been implemented?
- Response: This would be helpful for those recommendations still outstanding from 2016, together with a written report on those that were over a year old.

RESOLVED that:

1. A report on current maintenance budgets/investments be presented to Audit Committee members in due course.
2. Information regarding the process in relation to the audit of the Values and Culture Review be provided to the next meeting of Audit Committee.
3. The following actions be actioned by officers at the next scheduled meeting of Audit Committee on 18 December 2018:
  - Responsible officers to attend in person to explain reasons for those audit recommendations still outstanding since 2016, referenced as Items 1-8 at Appendix 5 of the report.
  - A written report be provided by officers as to the reasons for those Audit recommendations still outstanding since 2017, referenced as Items 9-24 at Appendix 5 of the report, (future reports to be referred to committee for outstanding recommendations exceeding a 12 month period.)
4. The contents of the report and continuation of further monitoring arrangements be noted.

**30. Audit Committee Work Programme**

John Scott, Audit Manager:

- a. presented the Audit Committee with its 2018/19 work programme
- b. invited members' questions and comments.

RESOLVED that the 2018/19 work programme be noted.